



PG – 563

IV Semester M.B.A. (Day and Eve.) Examination, November/December 2023
(CBCS) (2022 – 23 and Onwards)

MANAGEMENT

4.10.2 : Global Procurement and Sourcing

Time : 3 Hours

Max. Marks : 70

SECTION – A

Answer **any 5** questions, **each** carries **5** marks.

(5×5=25)

1. What are the objectives of an efficient procurement system ?
2. Mention the phases involved in a procurement cycle.
3. Specify 3 inventory control techniques for better management of global procurement.
4. What is sourcing and warehousing in case of seasonal inventory ?
5. Define centre led sourcing.
6. What are the sources of supplier search lays foundation to sourcing ?
7. Elaborate on socio-cultural issues in global sourcing.



SECTION – B

Answer **any three** questions, **each** carries **10** marks.

(3×10=30)

8. Sourcing of retail merchandise is always dynamic, to mitigate the challenges several methods are followed by this industry. Discuss elaborately.
9. Besides the price and payment, several other terms and conditions are to be necessarily mentioned in a purchase order, mention a few of them.
10. Managing price fluctuation and volatility in international scenario is difficult – How do purchase managers take care of these risks ?
11. Explain the UNO and GATT conventions that have a bearing on global trade practices.

P.T.O.



SECTION – C

Compulsory question.

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12. According to published information of Ministry of Commerce, the government is said to have called off plans to impose licensing requirements for the import of IT hardware products such as laptops, tablets, servers etc., even in the longer term, a move that will come as a relief to global manufacturers such as Dell, HP, Apple, Samsung and Asus.

Instead, India will look to regulate inbound shipments of such products through an import management system. For now, the government has decided that there won't be any immediate restrictions on imports. From November 1, which was when the licensing regime was to go into effect, companies would only need to register on the import management system that's going to be up and operational.

Further, officials added that after six-eight months, an import authorization mechanism will be put in place that will be used to grant quotas to firms importing IT hardware. The government has also assured top IT hardware brands that till October 2024, there won't be any quantity control on import of IT hardware products. Import authorisation will be given to firms based on three parameters – import value of previous year or an average of past three years for IT products, domestic manufacturing of IT hardware devices and exports of electronics goods, are vital indicators to get import license.

Sunset clause

The government is also considering a sunset clause by 2030 for the new system. The IT hardware industry met Minister of State for Electronics and Information Technology (MEIT) Rajeev Chandrasekhar to discuss the import management rules. The meeting was attended by representatives from Dell, Apple, Samsung, HP, HPE, Intel, Asus, Acer and industry associations India Cellular and Electronics Association (ICEA) and the Manufacturers' Association for Information Technology (MAIT).



The hardware industry will soon meet the Directorate General of Foreign Trade (DGFT) to finalize the modalities around the registration process. The import management system will be managed by the DGFT and the process will be fully online.

As of now, firms can import any quantity by doing the registration and the quotas will come into effect later. According to an executive with one of the IT hardware companies, the focus of the government is on ease of doing business and streamlining processes.

The questions to answer :

- 1) In the wake of frequent changes to the impex regulations, the global procurement is going to be a challenge.
 - 2) Interestingly, the dynamics of geo-political systems like Ukraine-Russia war, China the largest trading partner's aggression, Canadian spat will have lot of ramifications – Write your comments.
 - 3) What positive impact these policy changes will have on the Electronics Industry in India ?
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